

<i>SERFF Tracking Number:</i>	<i>FARM-125307993</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Farmers Insurance Exchange</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026264</i>
<i>Company Tracking Number:</i>	<i>AAR0701-106410</i>		
<i>TOI:</i>	<i>19.0 Personal Auto</i>	<i>Sub-TOI:</i>	<i>19.0001 Private Passenger Auto (PPA)</i>
<i>Product Name:</i>	<i>A-AR-2007-PA-F</i>		
<i>Project Name/Number:</i>	<i>AR FlexRates/rules/A-06-904</i>		

Filing at a Glance

Company: Farmers Insurance Exchange

Product Name: A-AR-2007-PA-F

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto
(PPA)

Filing Type: Rate

SERFF Tr Num: FARM-125307993 State: Arkansas

SERFF Status: Closed

Co Tr Num: AAR0701-106410

Co Status:

Authors: Vivian Alarcon, Anahit
Bekarian, Jeanette Campion,
Gayane Rupchian, Mina Villegas,
Chris SalvaCruz, Edmond Balaian

Date Submitted: 09/28/2007

State Tr Num: AR-PC-07-026264

State Status: Closed

Reviewer(s): Alexa Grissom, Betty
Montesi, Brittany Yielding

Disposition Date: 10/02/2007

Disposition Status: Filed

Effective Date Requested (New): 02/01/2008

Effective Date Requested (Renewal): 02/01/2008

Effective Date (New): 01/01/2008

Effective Date (Renewal):

General Information

Project Name: AR FlexRates/rules

Project Number: A-06-904

Reference Organization:

Reference Title:

Filing Status Changed: 10/02/2007

State Status Changed: 10/22/2007

Corresponding Filing Tracking Number:

Filing Description:

Status of Filing in Domicile: Not Filed

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

We respectfully submit for filing revisions to our Private Passenger Automobile Rates and Rules for Farmers Insurance Exchange. We are designating this filing as a file-and-use filing with an effective date of February 1, 2008 for New Business, Renewals are not affected; however, changes can be applied to existing policies.

Company and Contact

SERFF Tracking Number:	FARM-125307993	State:	Arkansas
Filing Company:	Farmers Insurance Exchange	State Tracking Number:	AR-PC-07-026264
Company Tracking Number:	AAR0701-106410		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0001 Private Passenger Auto (PPA)
Product Name:	A-AR-2007-PA-F		
Project Name/Number:	AR FlexRates/rules/A-06-904		

Filing Contact Information

Feliksa Barran, Manager - Business Implementation	Feliksa_Barran@farmersinsurance.com
4700 Wilshire Blvd.	(323) 932-3056 [Phone]
Los Angeles, CA 90010	()-[FAX]

Filing Company Information

Farmers Insurance Exchange	CoCode: 21652	State of Domicile: California
4680 Wilshire Blvd.	Group Code: 212	Company Type:
Los Angeles, CA 90010	Group Name:	State ID Number:
(323) 932-3056 ext. [Phone]	FEIN Number: 95-2575893	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$100 is the required filing fee amount for this Auto rate/rule filing. Check will be mailed to DOI on Monday, 10-01-2007.
Per Company:	No

<i>SERFF Tracking Number:</i>	<i>FARM-125307993</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>AAR0701-106410</i>		
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<i>Project Name/Number:</i>	<i>AR FlexRates/rules/A-06-904</i>		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	10/02/2007	10/02/2007

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Adding cover memo & revised P&C transmittal	Supporting Document	Mina Villegas	10/01/2007	10/01/2007

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Amendment to filing	Note To Reviewer	Mina Villegas	10/08/2007	10/15/2007
Correcting filing company	Note To Reviewer	Mina Villegas	10/01/2007	10/01/2007

SERFF Tracking Number:	FARM-125307993	State:	Arkansas
Filing Company:	Farmers Insurance Exchange	State Tracking Number:	AR-PC-07-026264
Company Tracking Number:	AAR0701-106410		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0001 Private Passenger Auto (PPA)
Product Name:	A-AR-2007-PA-F		
Project Name/Number:	AR FlexRates/rules/A-06-904		

Disposition

Disposition Date: 10/02/2007

Effective Date (New): 01/01/2008

Effective Date (Renewal):

- Effective Date (New) changed from 02/01/2008 to 01/01/2008 by Grissom, Alexa on 10/22/2007.

Status: Filed

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Farmers Insurance Exchange	0.000%	\$0	0	\$0	0.000%	0.000%	0.000%

SERFF Tracking Number:	FARM-125307993	State:	Arkansas
Filing Company:	Farmers Insurance Exchange	State Tracking Number:	AR-PC-07-026264
Company Tracking Number:	AAR0701-106410		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0001 Private Passenger Auto (PPA)
Product Name:	A-AR-2007-PA-F		
Project Name/Number:	AR FlexRates/rules/A-06-904		

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	Exhibit A	Filed	Yes
Supporting Document	Adding cover memo & revised P&C transmittal	Filed	Yes
Rate	Sample manual pgs	Filed	Yes

SERFF Tracking Number: FARM-125307993

State: Arkansas

Filing Company: Farmers Insurance Exchange

State Tracking Number: AR-PC-07-026264

Company Tracking Number: AAR0701-106410

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Product Name: A-AR-2007-PA-F

Project Name/Number: AR FlexRates/rules/A-06-904

Note To Reviewer

Created By:

Mina Villegas on 10/08/2007 04:08 PM

Subject:

Amendment to filing

Comments:

Dear Ms. Grissom:

Please note that the effective date for the Farmers Flex packages and New Car Pledge will be effective January 1, 2008 and not February 1, 2008. Thank you.

<i>SERFF Tracking Number:</i>	<i>FARM-125307993</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Farmers Insurance Exchange</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026264</i>
<i>Company Tracking Number:</i>	<i>AAR0701-106410</i>		
<i>TOI:</i>	<i>19.0 Personal Auto</i>	<i>Sub-TOI:</i>	<i>19.0001 Private Passenger Auto (PPA)</i>
<i>Product Name:</i>	<i>A-AR-2007-PA-F</i>		
<i>Project Name/Number:</i>	<i>AR FlexRates/rules/A-06-904</i>		

Amendment Letter

Amendment Date:

Submitted Date: 10/01/2007

Comments:

Dear Reviewer:

Please see attached cover memo inadvertently omitted in initial filing and revised P&C transmittal. Thank you.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Adding cover memo & revised P&C transmittal

Comment: Attached are cover memo & P&C transmittal

Cover memo.pdf

P & C transmittal doc.pdf

SERFF Tracking Number: FARM-125307993

State: Arkansas

Filing Company: Farmers Insurance Exchange

State Tracking Number: AR-PC-07-026264

Company Tracking Number: AAR0701-106410

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Product Name: A-AR-2007-PA-F

Project Name/Number: AR FlexRates/rules/A-06-904

Note To Reviewer

Created By:

Mina Villegas on 10/01/2007 12:23 PM

Subject:

Correcting filing company

Comments:

Dear Reviewer:

We inadvertently typed in Farmers Insurance Exchange initially as the filing company. Please take note that the correct filing company should be Farmers Insurance Company, Inc. We apologize for the inconvenience this may have caused.

SERFF Tracking Number: FARM-125307993
Filing Company: Farmers Insurance Exchange
Company Tracking Number: AAR0701-106410
TOI: 19.0 Personal Auto
Product Name: A-AR-2007-PA-F
Project Name/Number: AR FlexRates/rules/A-06-904

State: Arkansas
State Tracking Number: AR-PC-07-026264
Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Rate Information

Rate data applies to filing.

Filing Method:	File & Use
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	2.400%
Effective Date of Last Rate Revision:	08/01/2007
Filing Method of Last Filing:	Modified File & Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Farmers Insurance Exchange	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

<i>SERFF Tracking Number:</i>	<i>FARM-125307993</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Farmers Insurance Exchange</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026264</i>
<i>Company Tracking Number:</i>	<i>AAR0701-106410</i>		
<i>TOI:</i>	<i>19.0 Personal Auto</i>	<i>Sub-TOI:</i>	<i>19.0001 Private Passenger Auto (PPA)</i>
<i>Product Name:</i>	<i>A-AR-2007-PA-F</i>		
<i>Project Name/Number:</i>	<i>AR FlexRates/rules/A-06-904</i>		

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Sample manual pgs	305a, 305b, rating sequence pgs	New	Sample manual pg 305a.pdf Sample manual pg 305b.pdf Sample rating sequence pg.pdf Sample blank rating sequence pg.pdf

FARMERS INSURANCE GROUP

(FARMERS ONLY)

Flex Coverage

Farmers Flex is a unique package of coverages designed to provide a special value to our Farmers customers. It is available in three levels, Plus, Premier and Ultimate with an optional package for new cars, New Car Pledge. It's available to both new business and existing households for all rating tiers. Acceptable households must currently meet Farmers eligibility guidelines for Flex and regular underwriting guidelines do apply.

Package Benefits

Plus

Rate Shield: Endorsement J6472

- Level one – Accident forgiveness feature – This coverage forgives one accident in a three year period.
- Eligible for New Car Pledge

Premier

Declining Deductible: Endorsement J6471

- Level one – Reduces COLL deductible for accident-free driving over time. \$100 immediately applied with coverage inception and an additional \$100 is applied at renewal following each full year of accident-free driving up to a maximum credit of \$500. All credit is removed at the first renewal after a chargeable accident. Requires \$100 or higher COLL deductible. The deductible credit will never exceed the actual deductible; please conduct regular FFRs to provide the maximum benefit to the insured.

Rate Shield: Endorsement J6472

- Level two
 1. Accident forgiveness feature – This coverage forgives one accident in a three year period.
 2. Rate Lock feature – Locks rates by using the rate access date effective at inception of the coverage (or renewal) for a 2-year period. Locked rates will be applied to regular policy changes.
- Eligible for New Car Pledge

Ultimate

Declining Deductible: Endorsement J6471

- Level two – Reduces COLL and COMP deductibles for accident-free driving over time. \$100 immediately applied with coverage inception and an additional \$100 is applied at renewal following each full year of accident-free driving up to a maximum credit of \$500. All credit is removed at the first renewal after a chargeable accident. Requires \$100 or higher COLL and COMP deductible. The deductible credit will never exceed the actual deductible; please conduct regular FFRs to provide the maximum benefit to the insured.

Rate Shield: Endorsement J6472

- Level three
 1. Accident forgiveness feature – This coverage forgives multiple accidents in a three year period.
 2. Rate Lock feature – Locks rates by use the rate access date effective at inception of the coverage (or renewal) for a 3-year period. Locked rates will be applied to regular policy changes.
- Eligible for New Car Pledge

New Car Pledge (Optional)

New Car Pledge: Endorsement J6470

- New car replacement coverage – In the event of a total loss, settlement will be based on the cost to replace the covered vehicle without depreciation. Coverage is limited to actual cost not to exceed 110% of what the insured paid for the vehicle. Coverage is limited for 2 years and or 24,000 miles from the original vehicle purchase date.
- Replacement Cost Benefits for New Cars – Provides for the use of Original Equipment Manufacturer Parts for covered loss repair. Coverage is limited for 2 years and or 24,000 miles from the original vehicle purchase date.
- Coverage is automatically removed on the first renewal following the 2-year period following the vehicle purchase date. Coverage can be removed manually when vehicle reaches 24,000 miles prior to the end of the 2-year period.

FARMERS INSURANCE GROUP

(FARMERS ONLY)

Flex Coverage Continued

Eligibility

Flex Packages

- See the Customer Selection section for Farmers eligibility guidelines
- Private passenger autos – No Motor Homes
- Coverage Requirement
 - Plus – BIPD and UM
 - Premier and Ultimate – BIPD, UM, COMP and COLL
 - A Flex package must be on all Farmers policies in a household, therefore all Farmers drivers must qualify.

New Car Pledge

- Policy must have a Flex Package and Comprehensive & Collision
- Must be purchased within 90 days of the purchase date of the vehicle
- Covered vehicle must be new and unused
- Eligible model years must be current calendar year, current year +2 or -1 year.

Transactions

- New Business New Household – Eligible
 - Welcome to Flex letter will accompany Policy describing benefits
- Mid-term changes (add on) – Eligible
 - Welcome to Flex letter will accompany Policy describing benefits
- Package changes – Not allowed. A package must be removed and the new package must be applied.
- Reinstatements
 - <60 day – Eligible
Coverage will be retained with a reinstatement <60 days.
 - >60 days – Follow New Business Guidelines
Coverage will be removed with a lapse >60days.
- Drivers / accidents – Added drivers must qualify
 - Flex coverage will be dropped at the first renewal following the assignment of an ineligible driver is added or assigned to an existing policy with Flex.
 - Eligible drivers – Acceptable
 - Regular accident assignment rules apply
- Transfers (state to state) – Allowed if coverage is available. Rates will be based on current rate filing.
- Renewals
 - Special policyholder notices will inform the insured when the status of their Flex package changes
 - Renewals will display current coverage information
 - Rate lock date changes automatically when the rate lock expires.

Newly Introduced Discounts- Policies with the rate lock feature will be ineligible for any newly introduced discount until rates expire and are relocked. An insured can always drop the coverage and reapply for current rates.

ARKANSAS AUTO QUOTE WORKSHEET - FARMERS RATING EXAMPLE

Step	Description	BIPD	UM	UMPD	UIM	PIP	CCD	COLL
1.	Base Rate 7A (by Zip Code from Base Rate Pages)	\$ 405.10	\$ 34.10	\$ 34.10	\$ 11.70	\$ 57.90	\$ 153.20	\$ 371.60
2.	Affinity Discount	0.95	0.95	0.95	0.95	0.95	0.95	0.95
2a.	EFT Discount	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3.	Comprehensive and Collision Deductible Factors						0.8400	0.8500
4.	Farm Discount Factor	1.00					1.00	1.00
5.	Car Symbol Factor						1.98	1.66
5a.	Policy Term Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
6.	Rate Class Factor	1.16				1.00	1.02	1.10
A.	(1. x 2. x 2a. x 3. x 4. x 5. x 5a. x 6.)	\$ 384.845000	\$ 32.395000	\$ 32.395000	\$ 11.115000	\$ 55.005000	\$ 246.903370	\$ 547.922342
7a.	BI Limit Upcharge	1.10						
7b.	PD Limit Upcharge	0.02						
7.	Increased BIPD Limit Rate (6a. + 6b.) x A.	\$ 431.026400						
8a.	UM/UMPD Limit Upcharge		1.13	0.79				
8.	Increased UM Limit Rates (7a. x A.)		\$ 36.606350	\$ 25.592050				
B.	Enter (7. for BIPD, 8. for UM, A. for All Others)	\$ 431.026400	\$ 36.606350	\$ 25.592050	\$ 11.115000	\$ 55.005000	\$ 246.903370	\$ 547.922342
9a.	Farmers Flex Package Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
9b.	New Car Pledge Factor						1.00	1.00
10a.	Good Student Discount Factor	1.00				1.00	1.00	1.00
10b.	30/60 Discount Factor	0.75	0.85		0.85	0.75	0.77	0.70
10c.	Ultra/Super Preferred Discount Factor	0.90	0.95	0.95	0.95	0.90	0.95	0.90
10d.	Preferred Plus Discount Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
11.	FARA Code Discount Factor	0.75	0.75	0.75	0.75	0.75	0.75	0.75
12a.	Standard Rate Factor (Enter 0 if N/A)	0.00				0.00		0.00
12b.	Multiple Accident Surcharge Factor (Enter 0 if N/A)	0.00				0.00		0.00
C.	(B. x 9. x 10a. x 10b. x 10c. x 11. x (1.00 + 12a. + 12b.))	\$ 218.207115	\$ 22.169720	\$ 18.234335	\$ 6.731521	\$ 27.846281	\$ 135.457361	\$ 258.893306
13.	Multi-Car Discount Factor	0.80				0.85	0.85	0.85
14.	Age Group Factor	1.00				1.00	0.92	1.00
15.	Non-Smoker Discount Factor	1.00				1.00		1.00
16.	Model Year Rating Factor	1.00	1.00			1.00	0.90	0.90
16a.	Alternative Fuel Vehicle Discount Factor							
16b.	Advanced Purchase Credit							
16c.	New Household Credit							
D.	(C. x 13. x 14. x 15. x 16a. x 16b. x 16c.)	\$ 174.565692	\$ 22.169720	\$ 18.234335	\$ 6.731521	\$ 23.669338	\$ 95.334890	\$ 198.053379
17a.	Paid in Full Discount	\$ 1	\$ 1		\$ 1	\$ 1	\$ 1	\$ 1
E1.	(D. x (17a. - 1.00)) (decrease)	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
17.	Multi-Lines Discount Factor	0.85				0.85	0.85	0.85
E.	(D. x (17b. - 1.00)) (decrease)	\$ (26.184854)				\$ (3.550401)	\$ (14.300234)	\$ (29.708007)
18.	High Performance Surcharge Factor	1.00				1.00	1.00	1.00
F.	(D. x (18. - 1.00)) (increase)	\$ -				\$ -	\$ -	\$ -
19.	Anti-Lock Brakes Discount Factor	1.00						1.00
G.	(D. x (19 - 1.00) (decrease)	\$ -						\$ -
20.	25-29 Principal Unmarried Male Rating Factor	1.00				1.00		1.00
H.	(D. x (20. - 1.00)) (increase)	\$ -				\$ -		\$ -
21.	Passive Restraint Discount Factor					0.90		
I.	(D. x (21. - 1.00) (decrease)					\$ (2.366933)		
22.	Senior Defensive Driver Discount Factor	1.00					1.00	1.00
J.	(D. x (22. - 1.00) (decrease)	\$ -					\$ -	\$ -
K.	(D. + E. + F. + G. + H. + I. + J.)	\$ 148.380838	\$ 22.169720	\$ 18.234335	\$ 6.731521	\$ 17.752004	\$ 81.034657	\$ 168.345372
L.	K. Rounded to Dime	\$ 148.40	\$ 22.20	\$ 18.20	\$ 6.70	\$ 17.80	\$ 81.00	\$ 168.30
22a.	Renewal Rate Capping	1.00	1.00	1.00	1.00	1.00	1.00	1.00
L1.	(L. x 22a.)	\$ 148.40	\$ 22.20	\$ 18.20	\$ 6.70	\$ 17.80	\$ 81.00	\$ 168.30

(Truncate to 6 decimals at each interim step.)

Zip Code:	71601	Affinity Discount:	Yes
CCD Deductible:	120	Standard Rate Factor:	No
COLL Deductible:	240	Multi-Car Discount:	No
Farm Discount:	No	Age:	43
Car Symbol:	V	Non-Smoker Discount:	No
Rate Class:	4	Model Year:	1998
BI Limit:	50/100	Multi-Lines Discount:	AH
PD Limit:	\$50,000	High Performance Surcharge:	No
UMBI Limit:	50/100	Anti-Lock Brakes Discount:	No
UMPD Limit:	\$50,000	25-29 Principal Unmarried Male	No
UIM Limit:	50/100	Passive Restraint Discount:	4
Good Student Discount:	No	Senior Defensive Driver Discount:	No
Preferred Discount:	No	Alternative Fuel Vehicle Discount:	No
30/60 Discount:	Yes	Towing:	Yes
Ultra Preferred Discount:	Yes	Low Surcharge:	No
Super Preferred Discount:	No	Misc. Coverages:	No
Preferred Plus Discount:	No	Policy Term Factor	1
FARA Code:	H		
Renewal Rate Capping	No	Farmers Flex Package	None
New Household Credit:	No	New car Pledge Coverage	No
		Advanced Purchase Credit:	No

M.	Total -- 1 through 7	\$ 462.60
N.	Add Total Towing Premium (Incl. applicable Surcharge)	\$ 4.00
O.	Add Total Miscellaneous Coverages	\$ 3.60
P.	TOTAL PREMIUM	\$ 470.20

IF STEP IS NOT APPLICABLE
ENTER A FACTOR OF 1.00
(EXCEPT WHERE INDICATED)

ARKANSAS AUTO QUOTE WORKSHEET - FARMERS RATING WORKSHEET

Step	Description	BIPD	UM	UMPD	UIM	PIP	CCD	COLL
1.	Base Rate 7A (by Zip Code from Base Rate Pages)							
2.	Affinity Discount							
2a.	EFT Discount							
3.	Comprehensive and Collision Deductible Factors							
4.	Farm Discount Factor							
5.	Car Symbol Factor							
5a.	Policy Term Factor							
6.	Rate Class Factor							
A.	(1. x 2. x 2a. x 3. x 4. x 5. x 5a. 6.)							
7a.	BI Limit Upcharge							
7b.	PD Limit Upcharge							
7.	Increased BIPD Limit Rate (6a. + 6b.) x A.							
8a.	UM/UMPD Limit Upcharge							
8.	Increased UM Limit Rates (7a. x A.)							
B.	Enter (7. for BIPD, 8. for UM, A. for All Others)							
9a.	Farmers Flex Package Factor							
9b.	New Car Pledge Factor							
10a.	Good Student Discount Factor							
10b.	30/60 Discount Factor							
10c.	Ultra/Super Preferred Discount Factor							
10d.	Preferred Plus Discount Factor							
11.	FAHA Code Discount Factor							
12a.	Standard Rate Factor (Enter 0 if N/A)							
12b.	Multiple Accident Surcharge Factor (Enter 0 if N/A)							
C.	(B. x 9. x 10a. x 10b. x 10c. x 11. x (1.00 + 12a. + 12b.))							
13.	Multi-Car Discount Factor							
14.	Age Group Factor							
15.	Non-Smoker Discount Factor							
16.	Model Year Rating Factor							
16a.	Alternative Fuel Vehicle Discount Factor							
16b.	Advanced Purchase Credit							
16c.	New Household Credit							
D.	(C. x 13. x 14. x 15. x 16a. x 16b. x 16c.)							
17a.	Paid in Full Discount							
E1.	(D. x (17a. - 1.00)) (decrease)							
17b.	Multi-Lines Discount Factor							
E2.	(D. x (17b. - 1.00)) (decrease)							
18.	High Performance Surcharge Factor							
F.	(D. x (18. - 1.00)) (increase)							
19.	Anti-Lock Brakes Discount Factor							
G.	(D. x (19 - 1.00)) (decrease)							
20.	25-29 Principal Unmarried Male Rating Factor							
H.	(D. x (20. - 1.00)) (increase)							
21.	Passive Restraint Discount Factor							
I.	(D. x (21. - 1.00)) (decrease)							
22.	Senior Defensive Driver Discount Factor							
J.	(D. x (22. - 1.00)) (decrease)							
K.	(D. + E. + F. + G. + H. + I. + J.)							
L.	Rounded to Dime							
22a.	Renewal Rate Capping							
L1.	(L. x 22a.)							
(Truncate to 6 decimals at each interim step.)								

Zip Code:	Affinity Discount:	
CCD Deductible:	Standard Rate Factor:	If applicable, input # of year after
COLL Deductible:	Mult. Accident Surcharge:	
Farm Discount:	Multi-Car Discount:	
Car Symbol:	Age:	
Rate Class:	Non-Smoker Discount:	
BI Limit:	Model Year:	AH, AR, AM, AL, AHL, ARL, or AML
PD Limit:	Multi-Lines Discount:	
UMBI Limit:	High Performance Surcharge:	
UMPD Limit:	Anti-Lock Brakes Discount:	
UIM Limit:	25-29 Principal Unmarried Male	
Good Student Discount:	Passive Restraint Discount:	1. Belt 2. Airbag 3. Airbags 4. Airbags/Belts
Preferred Discount:	Senior Defensive Driver Discount	
30/60 Discount:	Alternative Fuel Vehicle Discount:	
Ultra Preferred Discount:	Towing:	
Super Preferred Discount:	Towing Surcharge:	If applicable, input "6-10" or "11 & older"
Preferred Plus Discount:	Misc. Coverages:	Disability Income weekly cap
Advanced Purchase Credit:	Farmers Flex Package	
New Household Credit:	New Car Pledge Coverage	
	Term Factor:	
	Paid in Full Discount	

Step	Description	
M.	Total -- 1 through 7	\$ -
N.	Add Total Towing Premium	
	(Incl. applicable Surcharge)	\$ -
O.	Add Total	
	Miscellaneous Coverages	
P.	TOTAL PREMIUM	

IF STEP IS NOT APPLICABLE
ENTER A FACTOR OF 1.00
(EXCEPT WHERE INDICATED)

SERFF Tracking Number:	FARM-125307993	State:	Arkansas
Filing Company:	Farmers Insurance Exchange	State Tracking Number:	AR-PC-07-026264
Company Tracking Number:	AAR0701-106410		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0001 Private Passenger Auto (PPA)
Product Name:	A-AR-2007-PA-F		
Project Name/Number:	AR FlexRates/rules/A-06-904		

Supporting Document Schedules

Satisfied -Name:	Uniform Transmittal Document-Property & Casualty	Review Status:	Filed	10/02/2007
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Comments:

Attachment:

P & C transmittal doc.pdf

Bypassed -Name:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Review Status:	Filed	10/02/2007
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Bypass Reason: Not applicable

Comments:

Bypassed -Name:	NAIC loss cost data entry document	Review Status:	Filed	10/02/2007
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Bypass Reason: Not applicable

Comments:

Satisfied -Name:	Exhibit A	Review Status:	Filed	10/02/2007
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Comments:

Attachment:

Exhibit A.pdf

Satisfied -Name:	Adding cover memo & revised P&C transmittal	Review Status:	Filed	10/02/2007
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Comments:

Attached are cover memo & P&C transmittal

Attachments:

Cover memo.pdf

P & C transmittal doc.pdf


Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

3. Group Name	Farmers Insurance Group of Companies				Group NAIC #
					0212
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #	
Farmers Insurance Exchange	CA	21652	95-2575893		

5. Company Tracking Number	AAR0701-106410
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Yuan Li 4700 Wilshire Blvd. Los Angeles, CA 90010	Manager, Auto Product Management	(323) 932-7699	(323) 932-3101	yuan_li@farmersinsurance.com
7. Signature of authorized filer				
8. Please print name of authorized filer		Mina A. Villegas		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	19.0 Personal Auto
10. Sub-Type of Insurance (Sub-TOI)	19.0001 Private Passenger Auto
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	19.0/19.0001
12. Company Program Title (Marketing title)	PPA Rates & Rules
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 02/1/2008 Renewal: 2/1/2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	9/28/2007
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Please see attached cover memo

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
Check #: Not available yet Amount: \$100.00	
Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.	

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

Exhibit A

Flex Plus Package

Coverage Type

Indicated

Proposed

BIPD	UIM	UMBI	UMPD	COMP	COLL	PIP
0.06	0.00	0.00	0.00	0.00	0.05	0.05
0.06	0.00	0.00	0.00	0.00	0.05	0.05

Flex Premier Package

Coverage Type

Indicated

Proposed

BIPD	UIM	UMBI	UMPD	COMP	COLL	PIP
0.12	0.09	0.05	0.11	0.02	0.16	0.17
0.12	0.09	0.05	0.11	0.02	0.16	0.17

Flex Ultimate Package

Coverage Type

Indicated

Proposed

BIPD	UIM	UMBI	UMPD	COMP	COLL	PIP
0.19	0.17	0.10	0.21	0.21	0.22	0.30
0.19	0.17	0.10	0.21	0.21	0.22	0.30

New Car Pledge

Coverage Type

Indicated

Proposed

BIPD	UIM	UMBI	UMPD	COMP	COLL	PIP
0.00	0.00	0.00	0.00	0.14	0.15	0.00
0.00	0.00	0.00	0.00	0.14	0.15	0.00



FARMERS

Yuan Li
4700 Wilshire Blvd.
Los Angeles, CA 90010
Voice: (323) 932-7699
Facsimile: (323) 932-3101
Email: yuan.li@farmersinsurance.com

October 1, 2007

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

Attn: Property and Casualty

SUBJECT: FARMERS INSURANCE EXCHANGE
PRIVATE PASSENGER AUTO RATE AND RULE REVISION
(REFERENCE NO.: AAR0701-206410)

Dear Commissioner:

We respectfully submit for filing revisions to our Private Passenger Automobile Rates and Rules for Farmers Insurance Exchange. We are designating this filing as a file-and-use filing with an effective date of February 1, 2008 for New Business, Renewals are not affected; however, changes can be applied to existing policies.

Summary of Changes

We are introducing four new optional auto coverages; Rate Shield, Declining Deductible, New Car Pledge and Replacement Cost Benefits for New Cars. These coverages will be made available as endorsements to our existing Private Passenger Automobile Policy and the form filings for the endorsements have already been made with your department.

These new endorsements will only be available in optional coverage packages. Rate Shield and the Declining Deductible (described below) are available in different benefit level combinations and are primary coverage packages. New Car Pledge and Replacement Cost Benefits for New Cars are offered together as an optional addition to the primary packages.

We have attached a pricing exhibit for the coverage packages as the endorsements are not available individually. As these are new coverages, we will monitor the program's performance and adjust the factors in the future as warranted.

Summary of Coverages

Rate Shield Endorsement

Forms Filing Reference Number: (FARM-125268786; State Tracking AR-PC-025887)

The Rate shield endorsement provides protection from regular rate increases and at-fault accidents. It is available in three levels; Single Accident Forgiveness, Single Accident Forgiveness & a two-year Rate Locking feature, and Multiple Accident Forgiveness & a three-year Rate Locking feature.

For the rate lock, we made projections based on current premium and loss trends, taking that net trend and finding the indication if the rate is locked for two or three years, depending on the package.

The accident forgiveness indication is comprised of reviewing policies from 2004, 2005 and 2006 which are accident free for three years. For level one we took into account the premiums and what the surcharge for one accident would be and then took the average of the indications for the three years and for level 2 we did the same calculation with the surcharges for multiple accidents.

Declining Deductible Endorsement

Forms Filing Reference Number: (SERFF# FARM-125268770; State Tracking# AR-PC-07-025886)

The Declining Deductible feature is available in two levels. The first level reduces the collision deductible for accident-free driving over time. The second level reduces both the collision and comprehensive deductibles for accident-free driving. \$100 Declining Deductible credit is immediately applied with coverage inception and an additional \$100 is applied at renewal following each full year of accident-free driving up to a maximum credit of \$500.

New Car Pledge Endorsement

Forms Filing Reference Number: (SERFF# FARM-125267938; State Tracking# AR-PC-07-025895)

New Car Pledge offers replacement coverage for named household vehicles. In the event of a total loss, settlement will be based on the cost to replace the covered vehicle without depreciation. Coverage is limited for 2 years and or 24,000 miles from the original vehicle purchase date and there is a limit to the total amount that can be recovered.

Replacement Cost Benefits for New Cars Endorsement

Forms Filing Reference Number: (SERFF# FARM-125267121; State Tracking# AR-PC-07-025846)

Replacement Cost Benefits for New Cars provides for the use of Original Equipment Manufacturer Parts for covered loss repair. Coverage is limited for 2 years and or 24,000 miles from the original vehicle purchase date.

The replacement cost benefit looks at total losses and compares the costs of repairs using OEM parts versus after market parts. The cost of this addition to the new car package is negligible at 0.12%

These changes are effective February 1, 2008, for both New & Existing Business.

Sample manual pages reflecting the above changes are attached for your reference. Final manual pages will be provided upon receipt of your approval.

Your acknowledgement of receipt of this material is greatly appreciated. If you have any questions on this material or require further information, please contact Yuan Li, Product Manager, at (323) 932-7699.

Very truly yours,

FARMERS INSURANCE COMPANY, INC.

By: Yuan Li
Manager, Auto Product Management

YL: RB


Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

3. Group Name	Farmers Insurance Group of Companies				Group NAIC #
					0212
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #	
Farmers Insurance Company, Inc	KS	21628	48-0609012	0212	

5. Company Tracking Number	AAR0701-206410
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Yuan Li 4700 Wilshire Blvd. Los Angeles, CA 90010	Manager, Auto Product Management	(323) 932-7699	(323) 932-3101	yuan_li@farmersinsurance.com
7. Signature of authorized filer				
8. Please print name of authorized filer		Mina A. Villegas		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	19.0 Personal Auto
10. Sub-Type of Insurance (Sub-TOI)	19.0001 Private Passenger Auto
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	19.0/19.0001
12. Company Program Title (Marketing title)	PPA Rates & Rules
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 02/1/2008 Renewal: 2/1/2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	9/28/2007
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Please see attached cover memo

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
Check #: Not available yet Amount: \$100.00	
Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.	

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)